

EXHIBIT 1

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re: CORE SCIENTIFIC, INC., et al., Debtors.¹	§ § § § § § §	Chapter 11 Case No. 22-90341 (DRJ) (Jointly Administered)
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**DECLARATION OF PATRICIA TROMPETER IN SUPPORT OF SPHERE 3D CORP.’S
OPPOSITION TO DEBTORS’ MOTION FOR SUMMARY JUDGMENT**

I, Patricia Trompeter, under penalty of perjury, pursuant to 28 U.S.C. § 1746, declare that the following is true and correct, based on my personal knowledge:

I. BACKGROUND

1. I joined Sphere 3D Corp.’s (“Sphere”) Board of Directors in April 2021. I have been Sphere’s CEO since April 2022.

II. RELEVANT CONTRACTS

2. Attached as Exhibit 1 is the Master Services Agreement between Sphere and Gryphon Digital Mining Inc. (“Gryphon”) dated August 19, 2021.

3. On September 12, 2021, Gryphon entered into the Master Services Agreement (the “MSA”) with Core Scientific Inc. (“Core”). The MSA is attached to this declaration as Exhibit

2.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Core Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (N/A); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors’ corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

4. Gryphon negotiated with Core, on Sphere's behalf, to secure hosting, colocation, and rack space for Sphere's cryptocurrency miners. On October 5, 2021, Core and Gryphon, acting as Sphere's manager, entered into Order #2, which is attached as **Exhibit 3**.

5. On October 5, 2021, Gryphon and Sphere entered into the Sub-License And Delegation Agreement, which is attached as **Exhibit 4**.

III. CORE'S THEN-CEO MIKE LEVITT AFFIRMED THAT SPHERE AND CORE WERE IN A CONTRACTUAL RELATIONSHIP

6. On or around April 7, 2022, I had a meeting with Core's then-CEO Mike Levitt at the Setai hotel in Miami, Florida, to discuss the state of affairs between Sphere and Core, including that Core had not accepted Sphere's miners for hosting despite requesting Sphere to continue making deposit payments. During that meeting, Mr. Levitt acknowledged that Sphere and Core were in a contractual relationship. Mr. Levitt stated that Sphere was one of Core's largest customers and that the relationship was important to him.

IV. CORE ADMITTED THAT IT USED SPHERE'S MINERS FOR ITS OWN BENEFIT AND SAID IT HAD COMPENSATED SPHERE, BUT NEVER DID

7. In or around April 2022, Core representatives claimed to me that Core had installed approximately 297 of Sphere's miners for Core's own benefit and used those miners to mine bitcoin for Core's own account, which Core claimed was an accident. Core EVP Russell Cann apologized and informed me that Core had compensated Sphere by "pointing extra hash" from Core's miners to Sphere's wallet "for a couple of weeks," meaning that Core had used its proprietary miners to mine bitcoin for Sphere's benefit. As it turned out, Core never did.

V. SPHERE PAID THE \$35.1 MILLION DEPOSIT TO CORE, WHICH GRYPHON ACKNOWLEDGED

8. On July 27, 2022, Brian Chase, Gryphon's CFO, in a letter, conclusively affirmed that Sphere "is the sole source and beneficiary of the funds paid to Core Scientific Inc." and

“exclusively maintains any and all right and claim to” the deposit payments. This letter is attached as **Exhibit 5** to this declaration.

Executed on: July 7, 2023

/s/ Patricia Trompeter

Patricia Trompeter